

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 7049**

**BILL NUMBER:** HB 1242

**DATE PREPARED:** Jan 9, 2002

**BILL AMENDED:**

**SUBJECT:** Licensing of Private Detectives.

**FISCAL ANALYST:** Valerie Ruda

**PHONE NUMBER:** 232-9867

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** The bill requires a person who wants to carry a firearm while conducting a private detective business to obtain a certificate by satisfactorily completing a firearms training program. It requires a background check for applicants for private detective licenses and their employees. It increases the amount of liability insurance coverage required for licensing as a private detective. The bill establishes a registration requirement for field employees of licensed private detectives. It also provides for reciprocity with states that have licensing requirements at least equal to Indiana's licensing requirements and that recognize Indiana private detective licenses. The bill also repeals a provision that states that a private detective license does not authorize the licensee to carry a weapon.

**Effective Date:** July 1, 2002.

**Explanation of State Expenditures:** This bill provides for additional information to be required on the application for a Private Detective license. This would necessitate changing the Professional Licensing Agency's (PLA) application form.

*Firearm Possession-* The bill requires applicants, who choose to carry a firearm while conducting private detective business, to pass a competency exam as well as a training program. Because the PLA does not currently administer an exam for this purpose, or have rules set that establish a firearms training program, it would need to develop both requirements. In order to do so, the Board may have to engage in additional meetings.

*Background Check-* The bill also requires that a background check be performed by the PLA. As this is not an activity of the PLA, the agency would need an additional person, possibly a contractor, to perform this duty. The agency would need to either supply the employee with a vehicle for travel or reimburse mileage. This provision would also require additional information on the Private Detective license application, such as additional character references.

*Licenses, Pocket Cards, and IDs-* This bill provides that all licenses, pocket cards, and identification cards issued must include either an endorsement to carry a fire arm, or a designation of prohibition of carrying a firearm. Changing the information required on each of these would necessitate that new licenses, pocket cards, and identification cards be issued to new applicants.

*Registration of Field Employees-* The PLA currently has three types of licenses: Agency, Private Detective, and Authorized Employee. Because this bill requires that all field employees of a private detective agency register with the PLA and provide the same information as in applying for a Private Detective license, the agency may need to take the same actions as in creating a new license.

Additional information will be included when made available.

**Explanation of State Revenues:** *Out-of-State Licenses-* This bill provides that an applicant already holding a private detective license from a state that has standards at least equal to Indiana's, and from which also extends the same recognition to Indiana's licensees, may be licensed as a private detective in Indiana. This may lead to an increase in the number of applicants and could potentially result in increased fees paid.

Currently, the PLA charges \$150 for issuance or renewal of a private detective license, \$10 for identification cards for authorized employees, or \$5 if the application for the identification card is made in the second year of the licensee's license, and \$75 for reinstatement of a delinquent license. Fees for Private Detective licenses are deposited in the General Fund.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Private Detective Licensing Board, Professional Licensing Agency.

**Local Agencies Affected:**

**Information Sources:** Kim Garver, Professional Licensing Agency, (317) 232-3901.